

July 17, 2006

Federal Trade Commission/Office of the Secretary, Room H-135 (Annex W)

Re: Business Opportunity Rule, R511993

Dear Sir or Madam:

I'm upset that the FTC is proposing Business Opportunity Rule R511993.

I have been a Stampin' Up! independent demonstrator for 5 1/2 years. I started this as a hobby and it has grown into a part-time business that I love. Let me tell you, Stampin' Up! saved my sanity. I was home alone with a baby and toddler all day long, and had very little adult interaction. Selling SU! products through home workshops has given me new friends, an income of my own, and a better life, without taking time away from my kids. I take them to and from school, can be at home when they're sick, and provide all the care and attention they need. That has meant the world to me. In addition, in the past two years, I have earned a week-long cruise vacation for my husband and I for free. I've been working since I was 14 1/2 years old and have never taken such luxurious vacations, though I've worked hard.

I have attended training seminars and annual conventions over the years, and feel this continuing education has enriched not only my life, but those of my friends and family. Just today (at the SU! convention) I learned how to use the Excel program in a workshop, for example. A class in Excel at home would cost me \$150 at least.

If your rule goes through, it will stop me from doing something myself and others love - showing people how to create their own greeting cards and gift items, and scrapbooking family memories. I understand the FTC wants to protect people from "unfair and deceptive acts or practices," but some of the sections in the proposed rule will make it very difficult, if not impossible, for me to offer others the great rewards of being with Stampin' Up!.

I have a problem with much of the proposed rule, including the seven-day waiting period to enroll new demonstrators. Not only will a prospective recruit think something's wrong that she can't sign up immediately, but this seven-day waiting period is unnecessary, because Stampin' Up! already has a policy under which they will repurchase all products, including the starter kit, at 90 percent of the company's cost, for up to a year. And if your rule goes into effect, I would be strangled keeping detailed records from the moment I talk to someone about becoming a demonstrator for Stampin' Up! to sending in many reports to Stampin' Up! headquarters. It's a paperwork nightmare! As someone with sales of \$18,000+ this year, it wouldn't be worth it to me stay a demonstrator. All of these rules would put me (and thousands of others) out of business. The starter kit is only \$199 plus sales tax. For that money, people receive stamp sets, ink, card stock and all the business forms they need to start their own business! It's a terrific deal, and it's very attractive to women, in particular. My husband spends hundreds on a single purchase (ebay, local retail stores, etc.) and never has to deal with the kind of paperwork you're proposing. It's

ridiculous!

The proposed rule calls for the release of any information regarding lawsuits involving misrepresentation, or unfair or deceptive practices. It doesn't matter if the company was found innocent. In today's litigious society, anyone can be sued for almost anything. It doesn't make sense that I would have to disclose these lawsuits unless Stampin' Up! is found guilty of something. For God's sake - we're talking about a \$199 starter kit! It's not like you're telling people they'll be making thousands of dollars a month stuffing envelopes. People will get \$360 worth of product for their \$199. I realize there are envelope-stuffing companies out there, but the FTC needs to address them without affecting how legitimate direct-selling organization like Stampin' Up! work.

And don't get me started on the disclosure of a minimum of 10 prior purchasers living nearest to the prospective purchaser (another part of the rule). The last thing I want to do is give out others' personal information to a total stranger. Who knows what they'd do with it? Solicit my downline? It's none of their business. Like I said above, people who purchase the starter kit (business opportunity) get a great value with the kit alone, regardless of whether they decide to do SU! as a business or not.

I also think the following sentence required by the proposed rule will keep people from wanting to sign up as demonstrators: "If you buy a business opportunity from the seller, your contact information can be disclosed in the future to other buyers." People are concerned about their privacy and identity theft. Who wants to share personal information with people you've never met? Also, it could easily allow people who are competitors to steal confidential downline information, or enable others to market products or services to them on the basis of their being connected with direct selling, without their having requested such communications. The FTC's proposed rule clearly does not show it understands direct selling.

I do thank the FTC for trying to protect consumers, but you're barking up the wrong tree with this proposed rule, and there will be tremendous fallout. I'm sure there have got to be other ways to protect consumers without destroying the businesses of those of us involved in legitimate (and terrific) direct selling companies.

Thanks for reading this. I hope you'll consider rewriting the proposed rule, or starting fresh, with input from well-known direct-selling companies.

Sincerely,

Terry Blais

Stampin' Up! demonstrator